AMENDED IN ASSEMBLY AUGUST 24, 2006 AMENDED IN SENATE MARCH 29, 2006

SENATE BILL

No. 1342

Introduced by Senator Chesbro

(Principal coauthor: Assembly Member Frommer)

February 17, 2006

An act to amend Section 4590 of the Public Resources Code, relating to forest resources. An act to add Article 7 (commencing with Section 6940) to Chapter 3 of Part 2 of Division 6 of the Public Resources Code, relating to natural resources.

LEGISLATIVE COUNSEL'S DIGEST

SB 1342, as amended, Chesbro. Forest resources: timber harvesting plan. *Natural resources*.

Existing law generally requires the State Lands Commission, on and after July 1, 2006, to deposit all revenue, money, and remittances with specified exceptions, derived from mineral extraction leases on state tide and submerged lands into the General Fund, to be available upon appropriation by the Legislature for specified purposes.

This bill would establish the Tideland Natural Resources, Coastal Preservation, and Air Quality Protection Fund in the State Treasury, and would require the commission to deposit the moneys described above into that fund. The bill would, for the 2007–08 fiscal year and each fiscal year thereafter, allocate moneys from the fund, except for specified money, upon appropriation of the Legislature, for certain purposes relating to housing, natural resources, the state park system, air pollution, and greenhouse gas emissions. The bill would create the Resources Trust Fund in the State Treasury, and various accounts within the Resources Trust Fund, and specify amounts and purposes

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of expenditure from those accounts and the Resources Trust Fund, upon appropriation, as specified. The bill would authorize up to 50% of the money in the Tideland Natural Resources, Coastal Preservation, and Air quality Protection Fund to be transferred to the General Fund for a fiscal year if specified conditions are met, including the enactment of a statute pursuant to a bill passed by a ²/₃ vote of each house of the Legislature authorizing the transfer, and the enactment of a separate statute to repay the fund, with interest, within 3 years for the amount transferred.

The existing Z'berg-Nejedly Forest Practice Act of 1973 prohibits a person from conducting timber operations, as defined, unless a timber harvesting plan prepared by a registered professional forester has been submitted for the timber operations, to the Department of Forestry and Fire Protection, as specified, and the timber harvesting plan has been approved. The act provides that a timber harvesting plan is effective for a period of not more than 3 years, unless it is extended. The act authorizes a timber harvesting plan on which work has been commenced but not completed to be extended for a one-year period in order to complete the work, up to a maximum of two one-year extensions, if specified conditions are met. The act requires the notice of extension to be provided to the department not sooner than 30 days, but at least 10 days, prior to the expiration date of the timber harvesting plan. The act requires the notice to include the circumstances that prevented a timely completion of the work pursuant to the timber harvesting plan. The act authorizes stocking work to continue for more than the effective period of the timber harvesting plan, but requires the stocking work to be completed within 5 years after the conclusion of other work.

This bill would delete references to work pursuant to the timber harvesting plan and instead use the term "timber operations." The bill, instead of requiring the notice of extension to be provided to the department not sooner than 30 days, but at least 10 days, prior to the expiration date of the timber harvesting plan, would require the notice to be submitted in writing and received by the department not sooner than 60 days, but at least 10 days, prior the expiration date of the timber harvesting plan. The bill would provide that a timber harvesting plan that is for the exclusive use of uneven aged silviculture management, as defined by the State Board of Forestry and Fire Protection, is effective for a period of not more than 5 years, unless it is extended. The bill would authorize that timber harvesting

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plan, pursuant to which timber operations have been commenced but not completed, to be extended by a one-time two-year period in order to complete the timber operations, if specified conditions are met. The bill would provide that this extended period for a timber harvesting plan does not apply to a timber harvesting plan for the Southern Subdistrict.

Vote: majority. Appropriation: no. Fiscal committee: no yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Article 7 (commencing with Section 6940) is added to Chapter 3 of Part 2 of Division 6 of the Public Resources Code, to read:

Article 7. Tideland Natural Resources, Coastal Preservation, and Air Quality Protection Fund

- 6940. (a) For the 2007–08 fiscal year and each fiscal year thereafter, with the exception of revenue derived from state school lands and from sources described in Sections 6217.6, 6301.5, and 6301.6, or any successor provisions, and notwithstanding any other provision of law, all revenue, money, and remittances received by the commission pursuant to mineral extraction leases on tide and submerged lands entered into pursuant to Article 4 (commencing with Section 6870) or Article 5 (commencing with Section 6890), or Chapter 138 of the Statutes of 1964, First Extraordinary Session, or any successor to those provisions, shall be transferred to the Tideland Natural Resources, Coastal Preservation, and Air Quality Protection Fund, which is hereby established in the State Treasury.
- (b) For the 2007–08 fiscal year and each fiscal year thereafter, money in the Tideland Natural Resources, Coastal Preservation, and Air Quality Protection Fund, except for money allocated pursuant to Section 6817 and any successor to that provision, shall be allocated for the following purposes:
- (1) To the California Housing Trust Fund, each fiscal year, the amount of two million dollars (\$2,000,000), upon appropriation by the Legislature.

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(2) (A) After leaving sufficient funds to meet the obligation of paragraph (1), the Controller shall transfer the balance of all revenue, money, and remittances received by the commission pursuant to this section in each fiscal year to the Resources Trust Fund which is hereby created in the State Treasury.

- (B) The money in the Resources Trust Fund shall be collected for the purposes of, and held in trust for, preserving and protecting the natural and recreational resources of the state and, for this purpose, the Controller shall annually transfer the following sums from the Resources Trust Fund to the following accounts in the following order of priority: [PU EXTERNAL SOURCE]
- (i) Ten million dollars (\$10,000,000) to the Salmon and Steelhead Trout Restoration Account which is hereby created in the Resources Trust Fund. The money in the account shall be appropriated in the annual Budget Act to the Department of Fish and Game for expenditure for the recovery of coho salmon, other species of salmon, and anadromous trout pursuant to Section 6217.1 of this code and Chapter 8 (commencing with Section 2760) of Division 3 of the Fish and Game Code. [PU EXTERNAL SOURCE]
- (ii) Five million dollars (\$5,000,000) annually to the Coastal Wetlands Account, which is hereby created in the Resources Trust Fund and which shall be an interest-bearing account administered by the Treasurer. The principal of the Coastal Wetlands Account shall not be expended, and shall be maintained, so that the interest earned by the account will provide a continuous source of funding for wetlands maintenance. Sixty percent of the interest on the Coastal Wetlands Account shall be appropriated in the annual Budget Act to the Department of Fish and Game for expenditure for maintenance of coastal wetlands owned by the Department of Fish and Game. Forty percent of the interest on the Coastal Wetlands Account shall be appropriated in the annual Budget Act to the State Coastal Conservancy for expenditure for maintenance of coastal wetlands.
- 37 (iii) Ten million dollars (\$10,000,000) to the Marine Life and 38 Marine Reserve Management Account, which is hereby created 39 in the Resources Trust Fund. The money in the account shall be 40 appropriated in the annual Budget Act to the Department of Fish

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1 and Game for expenditure for marine life management pursuant to Section 6217.2.

- (iv) Ten million dollars (\$10,000,000) to the Nongame Fish and Wildlife Program Account, which is hereby created in the Resources Trust Fund. The money in the account shall be appropriated in the annual Budget Act to the Department of Fish and Game for expenditure for management and protection of nongame fish and wildlife trust resources, and law enforcement activities relating to the management and protection, consistent with Section 711 of the Fish and Game Code.
- (v) Ten million dollars (\$10,000,000) to the State Parks System Deferred Maintenance Account, which is hereby created in the Resources Trust Fund. The money in the account shall be appropriated in the annual Budget Act to the Department of Parks and Recreation for deferred maintenance expenses.
- (vi) Five million dollars (\$5,000,000) to the Wetlands and Riparian Habitat Conservation Account, which is hereby created in the Resources Trust Fund. The money in the account shall be appropriated in the annual Budget Act to the Wildlife Conservation Board for expenditure on wetland and riparian habitat projects that are consistent with the North American Waterfowl Management Plan. Two million dollars (\$2,000,000) of that amount shall be allocated to the Inland Wetlands Conservation Fund established pursuant to Section 1430 of the Fish and Game Code for use pursuant to that section.
- (vii) Upon appropriation by the Legislature in the annual Budget Act, one million dollars (\$1,000,000) to the California Coastal Commission.
- (viii) Upon appropriation by the Legislature in the annual Budget Act, two million three hundred thousand dollars (\$2,300,000) to the Department of Parks and Recreation for environmental education activities.
- (3) After meeting the obligations of paragraph (2), the balance remaining in the Resources Trust Fund, upon appropriation by the Legislature, shall be allocated as follows:
- 36 (A) Twenty-five percent of the money for the following 37 purposes:
 - (i) To protect the state's ocean and coastline, with priority accorded to programs that are consistent with the California Ocean Protection Act (Division 26.5 (commencing with Section

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1 35500)), the Marine Life Protection Act (Chapter 10.5 (commencing with Section 2850) of Division 3 of the Fish and 3 Game Code), and the Marine Life Management Act of 1998 (Chapter 1052 of the Statutes of 1998), or any successor to those provisions.

- (ii) For programs to preserve threatened and endangered species, or to protect the state's resources from invasive species.
- (iii) To preserve state parklands and facilities by funding maintenance for, and increasing public access to, existing state parks, park facilities, and State parklands.
- (B) Seventy-five percent of the money for in-state research and development programs to promote clean and zero emission fuels and other alternative fuels, and vehicle technologies that reduce air pollution and greenhouse gas emissions.
- (c) (1) Except as provided in paragraph (2), up to 50 percent of the money in the Tideland Natural Resources, Coastal Preservation, and Air Quality Protection Fund may be transferred to the General Fund for a fiscal year if all of the following conditions are met:
- (A) The Governor issues a proclamation declaring the transfer to be necessary due to a state fiscal crisis.
- (B) A statute is enacted, pursuant to a bill passed in each house of the Legislature by rollcall vote entered in the journal, two-thirds of the membership of each house concurring, that authorizes the transfer of that money for that fiscal year, and the bill does not contain any other unrelated provision.
- (C) No later than the effective date of the statute described in the subparagraph (B), a separate statute is enacted that provides for the full repayment of the Tideland Natural Resources, Coastal Preservation, and Air Quality Protection Fund and all the money that was transferred to the General Fund pursuant to this paragraph, including interest as provided by law. The full repayment shall be made no later than the end of the third fiscal year immediately following the fiscal year to which the transfer applies.
- (2) (A) A transfer authorized pursuant to paragraph (1) shall not be authorized for more than two fiscal years during any period of 10 consecutive fiscal years, which period shall begin with the first fiscal year commencing on or after July 1, 2007, for which a transfer is made pursuant to paragraph (1).

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(B) A transfer authorized pursuant to paragraph (1) shall not be authorized for any fiscal year if a full repayment required by a statute enacted pursuant to subparagraph (C) of paragraph (1) has not yet been completed.

SECTION 1. Section 4590 of the Public Resources Code is amended to read:

- 4590. (a) (1) Except as provided in subdivision (b), a timber harvesting plan is effective for a period of not more than three years, unless extended pursuant to paragraph (2).
- (2) A timber harvesting plan pursuant to which timber operations have been commenced but not completed may be extended by amendment for a one-year period in order to complete the timber operations, up to a maximum of two one-year extensions, if (A) good cause is shown and (B) all timber operations are in conformance with the plan, this chapter, and all applicable rules and regulations, upon the filing of the notice of extension as required by this paragraph. The extension shall apply to any area covered by the plan for which a report has not been submitted pursuant to Section 4585. The notice of extension shall be submitted in writing and received by the department not sooner than 60 days, but at least 10 days, prior to the expiration date of the plan. The notice shall include the circumstances that prevented a timely completion of the timber operations pursuant to the plan and, consistent with Section 4583, an agreement to comply with this chapter and the rules and regulations of the board as they exist on the date the extension notice is filed.
- (b) (1) A timber harvesting plan that is for the exclusive use of uneven aged silviculture management, as defined by the board, is effective for a period of not more than five years, unless extended pursuant to paragraph (2).
- (2) A timber harvesting plan that is effective for five years pursuant to paragraph (1) and pursuant to which timber operations have been commenced but not completed may be extended by a one-time amendment for a two-year period in order to complete the timber operations, subject to the requirements of paragraph (2) of subdivision (a).
- (3) Paragraphs (1) and (2) do not apply to a timber harvesting plan for the Southern Subdistrict.

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- 1 (e) Stocking work may continue for more than the effective
- period of the plan, but shall be completed within five years after the conclusion of other timber operations.